

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES)	DIVISION OF
	EXPLORATION, a Division of)	GAS AND OIL
	Equitable Resources Energy)	
	Company, a West Virginia)	DOCKET NO.
	Corporation)	VGOB 95-0919-0520
)	
RELIEF SOUGHT:	EXCEPTION TO)	
	STATEWIDE SPACING)	
	LIMITATIONS PRESCRIBED)	
	BY VIRGINIA CODE ANN.)	
	§ 45.1-361.17(A)(2))	
)	
LEGAL DESCRIPTION:)	
)	
	WELL NUMBER V-2730,)	
	JOHN HAGAN, et al OIL AND GAS)	
	TRACT #51, WISE QUADRANGLE)	
	LIPPS MAGISTERIAL DISTRICT)	
	WISE COUNTY, VIRGINIA)	
	(See Exhibit A for a)	
	specific description))	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on September 19, 1995, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.

2. Appearances: James E. Kaiser of Hunter, Smith & Davis appeared for the Applicant.

3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.

4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for Well Number V-2730 for the development and operation of Non-coalbed Methane Gas (herein "Conventional Gas") from the surface to total depth drilled of 4,200 feet in the Mississippian and Devonian Age formations including the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea, Devonian Shales and White Slate formations ("Subject Formations"). The Applicant requests the Board's consent to drill Well Number V-2730 2,443.90 feet from existing EREX Well Number V-2688, and to drill Well Number V-2730 2,458.41 feet from existing EREX Well V-2341, all at the location depicted on Exhibit A hereto.

5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive Conventional Gas from Subject Formations underlying the drilling and spacing unit depicted in Exhibit A hereto (herein "Subject Drilling Unit").

A qualified engineer testified that the location exception was necessary due to topographical considerations, and that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling Unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2730 2,443.90 feet from existing EREX Well V-2688, and to permit and drill Well Number V-2730 2,458.41 feet from existing EREX Well V-2341, all as depicted on Exhibit A hereto.

8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 4th day of October, 1995, by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman Benny R. Wampler

DONE AND PERFORMED this 4th day of October, 1995, by Order of this Board.

Byron Thomas Fulmer
Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 4th day of October, 1995, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

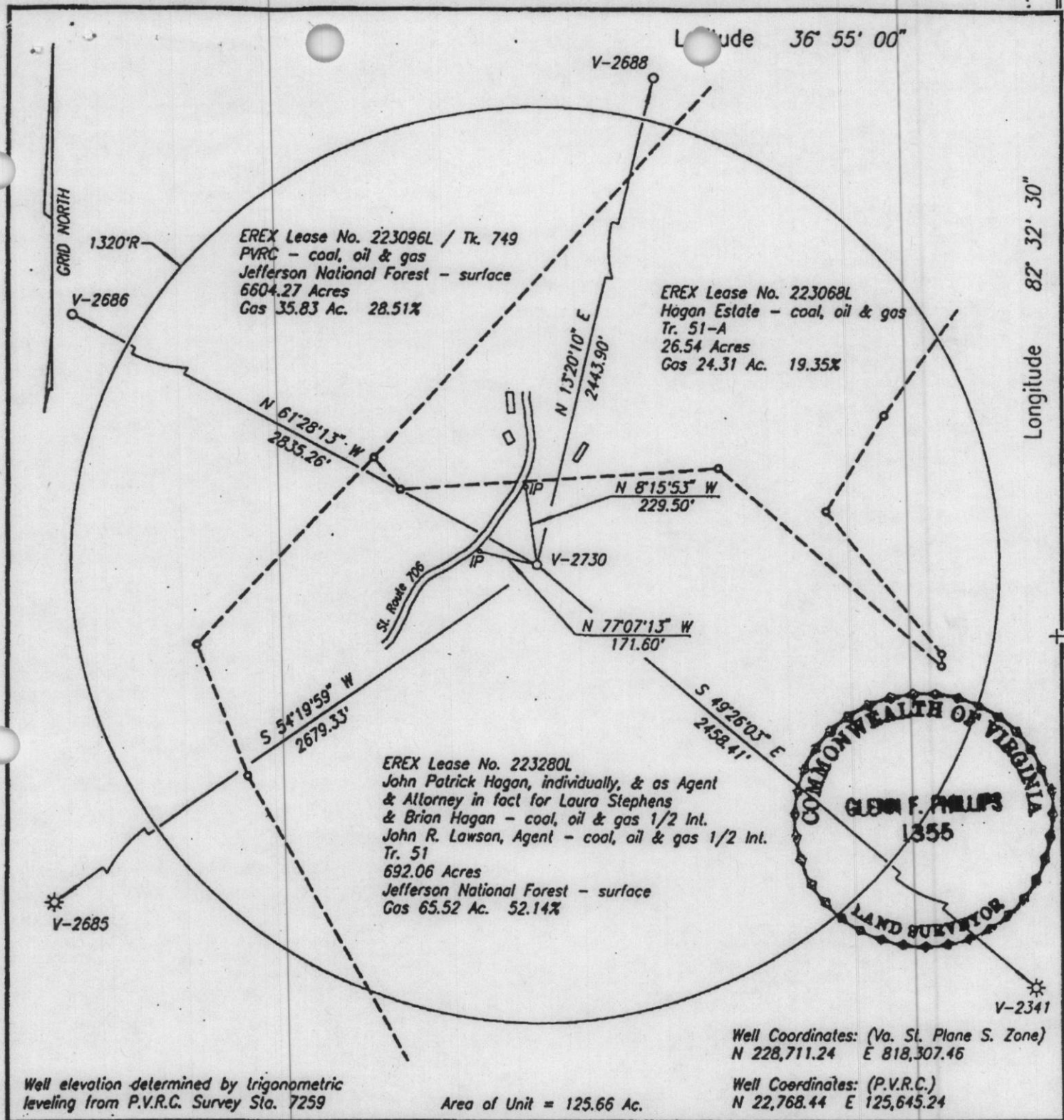
My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 4th day of October, 1995, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-2730
 TRACT NO. 51 ELEVATION 3,220.44' QUADRANGLE Wise
 COUNTY Wise DISTRICT Lipps SCALE 1" = 400' DATE 8-14-1995
 This Plat is a new plat x; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Glen F. Phillips

~~Licensed Professional Engineer or~~ Licensed Land Surveyor

Exhibit B

V-2730

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>ACREAGE WITHIN UNIT</u>
1.	Penn Virginia Resources Corp. c/o Ralph Tomlinson 999 Executive Pk. Blvd. Suite 300 Kingsport, TN 37660	Leased-EREX 223096L/TK-749	28.51%	35.83
2.	Penn Virginia Resources Corp. Coal Ownership c/o Keith Horton P. O. Box 386 Duffield, VA 24244	Leased-EREX 223096L/TK-749	0.00%	0.00
3.	John Patrick Hagan, Individually & as Agent Attorney in Fact for Laura Stephens & Brian Hagan P. O. Box 295 Dungannon, VA 24245	Leased-EREX 223280L/TK-51	26.07%	32.76
4.	John R. Lawson, Agent 901 Ridgecrest Rd. Johnson City, TN 37601	Leases-EREX 223280L/TK-51	26.07%	32.76
5.	The Hagan Estate, Inc. c/o John Gillespie P. O. Box 225 230 Tazewell, VA 24651	Leased-EREX 223068L/TK-51-A	19.35%	24.31
			<u>100%</u>	<u>125.66</u>